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writers. He confesses that this alone will not remedy social evils, that it is not susceptible of an exact mathematical computation, and that it may give rise to arbitrariness; but he maintains that the other suggested bases of taxation disclose the same or greater defects. Regard for the individual position of the contributor is the really important aim to be kept in view. The vagueness of this test as a practical programme of taxation will at once strike the reader; but Piernas-Hurtado is content to leave the discussion in the field of theory.

Later on, in treating of the various classes of taxation, he has many good and practical suggestions to make. The whole of his second volume in fact is devoted to the history and criticism of the state, local and colonial public finance of Spain, and he clears up much that Parieu and other writers have failed to explain. Like so many of the continental tax reformers, he sees the greatest promise of improvement in the substitution of direct for indirect taxes; and he devotes a considerable portion of the work to the proposed adjustment of the Spanish public revenues to the principles of uniformity and universality. Several chapters on the theories and practice of public credit, and especially on the budget and financial administration, conclude a work whose open-mindedness, clearness and wide range of view entitle it to an honorable place in the list of text-books of finance.

E. R. A. S.

Free Exchange. Papers on Political and Economical Subjects, including chapters on the Law of Value and Unearned Increment.
By the late SIR LOUIS MALLET, C. B. London, Paul, Trench, Trübner & Co., 1891.—xxiii, 356 pp.

In these days a declaration of absolute faith in individualism and *laissez faire* possesses a pleasing pungency. Sir Louis Mallet, comrade of Cobden and statesman of the ultra-liberal school, never swerved from *Manchesterthum*. What to others was the policy of free trade was to him the axiom of "free exchange," a principle identical with that of private property. We gather from his son's preface that he endured factory laws and did not "discourage" operations on the "Residuum," but "his general attitude was one of distrust of all restrictive and protective legislation." He saw no other thrall than the law, and reports of labor commissions could not convince him that legal freedom would ever mean actual serfdom or slavedom.

The author's *laissez faire* is not the mild distrust of government shown by Mill and the English school. It is rather that absolute confidence in the beneficence of "let alone," which has so often yielded material support to the adipose optimism of the well-to-do. It rests on the philosophy of Bastiat and Leroy-Beaulieu and Mr. Atkinson. Our author brings to the aid of this school the Jevonian doctrine of final utility, and with it attacks the "cost" and "labor" theories of value. With the passage from labor-value to use-value disappears the "unearned increment." In all classes of goods only the marginal products exchange in proportion to cost. The remaining goods are out of relation to cost, and yield rents varying with differential of advantage. To abolish rents is to destroy values as we know them. The fact is, inquiry whether a value is "earned" or not is beside the mark.

It is of no consequence whatever to the man or to the society receiving a service, whether or not the man or class rendering it is remunerated in proportion to his labor, or his sacrifice, or his merits of any kind. . . . It is not the labor incurred, but the labor saved, which concerns the recipient of a service.

What a weapon this avowal of the non-ethical nature of value places in the hands of socialists!

Natural monopolies, especially land, are vigorously defended from the "Jacobinical declaration" of Mill. Rent is "the beneficent process by which an undue pressure of demand on supply can best be averted." Remove the rents that support the leisure class, and men would come to be nothing more than "semi-savages, living always up to the extreme margin of subsistence, and periodically kept within necessary limits by famine and starvation." How Henry George would enjoy this *naïve* admission that rent is a substitute for famine! Of course the author is a Malthusian of the primitive type, relying more on positive than on preventive checks. "Men are neither wise nor virtuous as a rule;" so we need rent as a flood-gate to keep back the menacing millions of unborn.

Sir Louis does not take the trouble of showing that the rent-receivers themselves will not over-populate. As "our noblest class" and an order of beings quite superior to the vulgar British laborer, they may no doubt be trusted not to misuse their prosperity. Landlords and non-landlords probably propagate according to different laws.

While not of scientific import, the book is an interesting sample of a certain kind of economic thinking.

EDWARD ALSWORTH ROSS.